

§ 20.2056A-13

26 CFR Ch. I (4-1-01 Edition)

amount by which the basis of the distributed property is increased.

[T.D. 8612, 60 FR 43551, Aug. 22, 1995]

§ 20.2056A-13 Effective date.

The provisions of §§ 20.2056A-1 through 20.2056A-12 are effective with respect to estates of decedents dying after August 22, 1995.

[T.D. 8612, 60 FR 43551, Aug. 22, 1995]

ESTATES OF NONRESIDENTS NOT CITIZENS

§ 20.2101-1 Estates of nonresidents not citizens; tax imposed.

(a) *Imposition of tax.* Section 2101 imposes a tax on the transfer of the taxable estate of a nonresident who is not a citizen of the United States at the time of death. In the case of estates of decedents dying after November 10, 1988, the tax is computed at the same rates as the tax that is imposed on the transfer of the taxable estate of a citizen or resident of the United States in

accordance with the provisions of sections 2101(b) and (c). For the meaning of the terms *resident*, *nonresident*, and *United States*, as applied to a decedent for purposes of the estate tax, see § 20.0-1(b)(1) and (2). For the liability of the executor for the payment of the tax, see section 2002. For special rules as to the phaseout of the graduated rates and unified credit, see sections 2001(c)(2) and 2101(b).

(b) *Special rates in the case of certain decedents.* In the case of an estate of a nonresident who was not a citizen of the United States and who died after December 31, 1976, and on or before November 10, 1988, the tax on the nonresident's taxable estate is computed using the formula provided under section 2101(b), except that the rate schedule in paragraph (c) of this section is to be used in lieu of the rate schedule in section 2001(c).

(c) *Rate schedule for decedents dying after December 31, 1976 and on or before November 10, 1988.*

If the amount for which the tentative tax to be computed is:

Not over \$100,000	6% of such amount.
Over \$100,000 but not over \$500,000	\$6,000, plus 12% of excess over \$100,000.
Over \$500,000 but not over \$1,000,000	\$54,000, plus 18% of excess over \$500,000.
Over \$1,000,000 but not over \$2,000,000 ..	\$144,000, plus 24% of excess over \$1,000,000.
Over \$2,000,000	\$384,000, plus 30% of excess over \$2,000,000.

The tentative tax is:

6% of such amount.
\$6,000, plus 12% of excess over \$100,000.
\$54,000, plus 18% of excess over \$500,000.
\$144,000, plus 24% of excess over \$1,000,000.
\$384,000, plus 30% of excess over \$2,000,000.

[T.D. 8612, 60 FR 43551, Aug. 22, 1995]

§ 20.2102-1 Estates of nonresidents not citizens; credits against tax.

(a) *In general.* In arriving at the net estate tax payable with respect to the transfer of an estate of a nonresident who was not a citizen of the United States at the time of his death, the following credits are subtracted from the tax imposed by section 2101:

(1) The State death tax credit under section 2011, to the extent permitted by section 2102(b) and paragraph (b) of this section;

(2) The gift tax credit under section 2012; and

(3) The credit under section 2013 for tax on prior transfers.

Except as provided in section 2102(b) and paragraph (b) of this section (relating to a special limitation on the amount of the credit for State death

taxes), the amount of each of these credits is determined in the same manner as that prescribed for its determination in the case of estates of citizens or residents of the United States. See §§ 20.2011-1 through 20.2013-6. Subject to the additional special limitation contained in section 2102(b) in the case of section 2015, the provisions of sections 2015 and 2016, relating respectively to the credit for death taxes on remainders and the recovery of taxes claimed as a credit, are applicable with respect to the credit for State death taxes in the case of the estates of nonresidents not citizens. However, no credit is allowed under section 2014 for foreign death taxes.

(b) *Special limitation—(1) In general.* In the case of estates of decedents dying on or after November 14, 1966, other than estates the estate tax treatment of which is subject to a Presidential